

City Council

Study Session Agenda

**January 9, 2018
Library Meeting Room
951 Spruce Street
7:00 PM**

***Note: The time frames assigned to agenda items are estimates for guidance only.
Agenda items may be heard earlier or later than the listed time slot.***

| | | |
|----------------|-------------|---|
| 7:00 pm | I. | Call to Order |
| 7:00 - 7:30 pm | II. | Discussion – 2018 Transportation Funding Issues Update |
| 7:30 – 8:15 pm | III. | Discussion – Business Assistance Program Review and Analysis |
| 8:15 – 9:00 pm | IV. | Discussion – Land Use Review Process and Options for Earlier Engagement |
| 9:00 – 9:05 pm | V. | City Manager’s Report & Advanced Agenda |
| 9:05 – 9:15 pm | VI. | Identification of Future Agenda Items |
| 9:15 pm | VII. | Adjourn |

**SUBJECT: DISCUSSION – 2018 TRANSPORTATION FUNDING ISSUES
UPDATE**

DATE: JANUARY 9, 2018

**PRESENTED BY: BOB MUCKLE, MAYOR
ASHLEY STOLZMANN, CITY COUNCIL
MEGAN DAVIS, INTERGOVERNMENTAL AFFAIRS DIRECTOR**

SUMMARY:

There are currently several proposed changes to state and federal funding distribution under consideration in Colorado, as well as the consideration of new sources of transportation funding. Mayor Bob Muckle, Mayors and Commissioners Coalition (MCC) Member, Councilor Stolzmann, City of Louisville DRCOG Director, and staff would like to provide updates on some of these issues.

Transportation Improvement Program (TIP) Funding Distribution Changes:

The TIP identifies all federally funded surface transportation projects anticipated for funding in the Denver metropolitan area for the fiscal years included. The program includes highway, high-occupancy vehicle, transit, travel demand management, and non-motorized facilities, and services. The Denver Regional Council of Governments (DRCOG), the region's Metropolitan Planning Organization (MPO), is responsible for preparing the TIP in cooperation with local governments, the Colorado Department of Transportation (CDOT), and the Regional Transportation District (RTD).

In the spring of 2018, DRCOG will open up the call for projects for the 2020-2023 TIP, to identify federally funded transportation projects to be implemented in the Denver region in these fiscal years. The DRCOG Board must approve the regional priorities that will be included in the TIP.

There is approximately \$280 million that will be allocated in the 2020-2023 cycle. In preparation for the upcoming TIP funding cycle, the DRCOG Board has provided direction for a new funding allocation structure that would include a Regional Share and a Subregional Share (Attachment 1). The inclusion of a subregional allocation of funds is a new element, and the concept is that the subregion would get a set allocation for projects that would be identified at the local (county) level and then advanced to the Board for approval. To determine the details of the new allocation method and process, the Board has convened a TIP working group to make recommendations regarding project eligibility, identification and funding distribution methodologies.

DRCOG also agreed to three focus areas for the 2021-23 TIP cycle, which will serve as guiding principles and not specific criteria.

- Improve mobility (infrastructure & services) for vulnerable populations

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- Increase reliability of existing multimodal transportation network
- Improve transportation safety & security

Of the \$280 million available for the upcoming TIP, \$50 million in program/project “set-asides” are first deducted to support the TDM pool (Transportation Demand Management), human service transportation (which is a new set-aside), air quality (for projects like charging stations and GPS in Louisville fleet vehicles), community mobility planning & implementation (small infrastructure) and operations & technology (for projects like our McCaslin traffic light improvements). These set-aside dollars also support organizations like Commuting Solutions, Via and programs like Way to Go, and the city is able to apply for many of the programs which are funded through the set-aside.

The remaining \$230 million (less any Regional commitments for projects that have yet to be approved by the Board, including \$25 million for I-70 reconstruction) will then go towards Regional and Subregional shares. The exact percentage distribution between Regional/Sub-regional pots has also not yet been determined, and may include 50%-50%, 30%-70%, 10%-90% or some other distribution split.

The TIP working group has developed a proposed framework for Regional share eligibility (yet to be approved by DRCOG), which suggests that eligible projects must be included in the fiscally constrained 2040 Metro Vision Regional Transportation Plan (2040 MV RTP), and may include Regional Rapid Transit, key multi-use trails and regional corridors, freeways and major regional arterials, regional managed lanes, at-grade rail separations, and studies. The rules will likely require a local match (or maximum contribution from federal funding) as well as a limit on the number of projects that each subregion may submit for the Regional share.

The DRCOG board will approve the eligibility rules for the Regional shares and guidelines for Subregional shares, as well as the funding split, in early 2018.

Concurrently, in anticipation of a Board decision to bifurcate the funding into Regional and Subregional Shares, staff from Boulder County and each of the municipalities have been meeting to discuss the structure and process for a local Subregional funding distribution. DRCOG has indicated that other counties have already set up a structure, and have an IGA in place, and will be ready to advance projects for both Regional and Subregional consideration by the Board. Boulder County has offered to serve as the coordinator of this process, given that DRCOG has not formally committed to providing the coordination and administrative services necessary to support the work that will need to occur within each local subregion.

The role of the group is yet to be determined, but at this time it's likely that the DRCOG representative from each of the municipalities will sit on the subregional committee, with

staff support and staff/technical team assistance. The communities are currently developing an IGA which will come to Council for approval once finalized.

Mayors and Commissioners Coalition (MCC) Project List:

In conjunction with the MCC and Commuting Solutions Business Initiative effort, the MCC has been developing a regional project list that reflects our regional needs for transportation and transit improvements in the northwest corridor. The draft list (Attachment 2) is not final and has not been formally approved by the MCC, but is rather a working document that helps reflect our region's need, which can be compared to the anticipated funding and investments in the near future. The list is the region's first attempt to illustrate in a comprehensive manner the high level of need within our region. The list may or may not be used as a starting point for discussions around TIP Regional and Subregional funding, as well as in discussions regarding statewide or regional funding sources.

The draft list includes projects that were identified in the Northwest Area Mobility Study (NAMS) and reflect the key corridors for transportation and transit within our region, including Northwest Rail Peak Hour Service, which is currently under exploration by RTD and the regional partners. It also includes other key corridors and regional transit plans beyond NAMS. In addition, the local government partners have included regional roadway reconstruction, major intersection improvements, bike/ped improvements and regional trails, and transit and shuttles.

Staff welcome input from Council on the draft list, including suggested changes or additions.

SB17-267 Funding and State Ballot Measure:

During the 2017 Legislative Session, the Colorado General Assembly approved SB17-267, authorizing lease-purchase agreements on state facilities totaling \$2 billion over four years, of which CDOT receives \$1.8 billion of those proceeds. At least 10% of CDOT's proceeds will be dedicated to transit projects, funding must be used on Tier 1 projects that come from the CDOT 10-year development plan and are on state highways (not local projects), and 25% of the projects must be spent in rural areas (counties with populations 50,000 or less).

A few months after the Legislative Session concluded, the Denver Metro Chamber of Commerce announced that they would seek a statewide ballot measure to generate funding for transportation improvements across the state. Since that time other transportation advocates have been discussing similar ballot proposals. The Denver Chamber of Commerce is currently conducting polling and stakeholder groups to determine the public interest in such a measure, and the details of any potential ballot initiative.

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Because CDOT is overseeing the distribution of SB17- 267 funds, and high priority state projects are expected to be a cornerstone of any potential ballot measure, CDOT has developed a list of projects that could be funded with both funding sources. The State Transportation Advisory Committee and Transportation Commissions both met in December to review the CDOT staff proposed lists for potential priority projects for both funding sources. The draft list (linked in Attachment 3, page 7 last line) provided by CDOT staff includes three projects in our region, including \$10 million for improvements to SH 42 as part of taking over SH 42 from the state (devolution). The Transportation Commission is expected to formally adopt the list at its January meeting.

City staff have had limited conversations with CDOT and the City of Lafayette regarding the potential devolution of SH 42, and are evaluating the impacts of this possibility. However, no comprehensive cost estimates have been generated, nor have long term cost implications been evaluated, and therefore we have requested that CDOT change the language on their list to more accurately reflect the need for improvements to SH 42 with or without devolution. CDOT has agreed to seek that change with the next iteration of the list. The CDOT Commissioner and staff for Region 4 have indicated that keeping the project on the list is in our best interest, as this is really the only way to ensure funding would be dedicated for full or partial implementation of the SH 42 PEL as well as any additional improvements necessary over the long term.

Staff will keep Council apprised of any future discussions related to SH 42, as well as the impact on Louisville from SB17- 287 funding decisions and potential ballot measures.

Louisville MyRide Program Update:

The City has partnered with the Town of Superior, Boulder County and Commuting Solutions to apply for TDM (Transportation Demand Management) funding through DRGOG (Attachment 5). The funds will be used to launch the “Tapping into Transit” program, which will support the growth of the My Ride program in Louisville and Superior by providing funding to conduct strategic outreach and marketing for low-income residents to attend local events and receive MyRide cards.

The full TDM request is approximately \$250,000 and will leverage a portion (approximately \$23,000) of the \$40,000 approved by Council for MyRide to expand our outreach within the community. The program will focus on Louisville residents as well as employees commuting to Louisville for work.

At a recent CDOT/DRCOG regional quarterly meeting, DRCOG shared that there were 15 TDM pool applications totaling \$2.7M, with \$2.2M available.

FISCAL IMPACT:

Fiscal impact of these funding sources and grant application is currently unknown.

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RECOMMENDATION:

For Information Only

ATTACHMENT(S):

1. Link to [DRCOG Board Packet Regional Share Framework December 20, 2017](#)
2. DRAFT Northwest Transportation Network Project List
3. State Transportation Advisory Committee – [Link to Potential Ballot Question Project List 12 7 2017](#)
4. Link to [December 2017 Transportation Commission Packet](#)
5. Joint TDM application for MyRide program
6. Presentation

| NORTHWEST TRANSPORTATION NETWORK - DRAFT PROJECT LIST | | | | | | | | | |
|--|---|---|------------------|--|--|----------------------------|----------------------------------|--|--|
| | | 11/28/2017 | | | | | | | |
| Project | Description/Boundaries | Startup/Construction Costs (Planning & Capital) | Annual O&M Costs | 10 Year Operating Cost (assume 5% annual Increase) | Total Cost (capital + 10 year operating) | Partial Funding Commitment | Other Potential Funding Partners | Source | |
| | NAMS CORRIDORS | | | | | | | | |
| SH119 BRT/Managed Lane | | | | | | | | | |
| SH119 BRT/Managed Lane | Downtown Boulder to Downtown Longmont, inc BRT, first and final mile connections, and other multimodal corridor improvements to support BRT. | \$ 69,526,962 | \$ 7,840,020 | \$ 98,610,924 | \$ 168,137,886 | RTD: \$30m CDOT \$50m | RTD/CDOT/DRCOG | RTD NAMS Study+5%ann inc. | |
| SH119 Bikeway | Boulder (47th Street) to Longmont (Hover)-Full Build Out/ w grade separations | \$ 24,000,000 | N/A | N/A | \$ 24,000,000 | | RTD/CDOT/DRCOG | Boulder County | |
| Ken Pratt (SH-119) Roadway & BRT improvements; | Ken Pratt (SH-119) between Nelson Rd and S. Pratt Pkwy | \$ 3,500,000 | | | | | RTD/CDOT/DRCOG | City of Longmont | |
| | | \$ 97,026,962 | \$ 7,840,020 | \$ 98,610,924 | \$ 192,137,886 | | | | |
| SH 7 PEL BRT/Managed Lane | | | | | | | | | |
| SH7 BRT NEPA study | Boulder to Brighton | \$ 2,000,000 | N/A | N/A | \$ 2,000,000 | | RTD/CDOT/DRCOG | Boulder County | |
| SH 7 BRT Implementation (from PEL study) | Downtown Boulder to Downtown Brighton, inc BRT, first and final mile connections, and other multimodal improvements to support BRT. | \$ 350,000,000 | \$ 4,606,773 | \$ 57,943,496 | \$ 407,943,496 | | RTD/CDOT/DRCOG | 2017 Boulder County BRT & PEL, COB EEA studies | |
| SH7/US287 intersection Improvements | SH7 & US287 (East past 9 mile, west to Silo Intersection on Arapahoe) | incl. above | N/A | N/A | incl. above | | CDOT/DRCOG | Boulder County | |
| SH7/95th St Intersection improvements | SH7 & 95th St | incl. above | N/A | N/A | incl. above | | CDOT/DRCOG | Boulder County | |
| SBR/120th reconstruction/Intersection Imp. per SH7 PEL | Imp./Recon. within City of Lafayette | incl. above | N/A | N/A | incl. above | DRCOG, BoCo ST, and Laf. | CDOT/DRCOG | City of Lafayette | |
| SH7/119th/120th Street Int. Improvements | SH7 (Baseline Road) and 119th Street | incl. above | N/A | N/A | incl. above | Laf. Partial funding | CDOT/DRCOG | City of Lafayette | |
| E. Emma & 120th Int. | Intersection Reconstruction | incl. above | N/A | N/A | incl. above | Laf. And BoCo ST | CDOT/DRCOG | Boulder County | |
| SH7 Bikeway | Boulder to Erie | incl. above | N/A | N/A | incl. above | | CDOT/DRCOG | Boulder County | |
| | | \$ 352,000,000 | \$ 4,606,773 | \$ 57,943,496 | \$ 409,943,496 | | | | |
| SH287 BRT | | | | | | | | | |
| US287 BRT Feasability & NEPA study | Longmont to Denver | \$ 3,500,000 | N/A | N/A | \$ 3,500,000 | | RTD/CDOT/DRCOG | Boulder County | |
| Longmont-Broomfield multi-use path/bikeway | Longmont to Broomfield | \$ 18,000,000 | N/A | N/A | \$ 18,000,000 | | CDOT/DRCOG | Boulder County | |
| SH287 BRT | BRT service - Longmont, Lafayette, Broomfield, | \$ 68,554,557 | \$ 8,824,580 | \$ 110,994,615 | \$ 179,549,172 | | RTD/CDOT/DRCOG | RTD NAMS Study+5%ann inc. | |
| | | \$ 90,054,557 | \$ 8,824,580 | \$ 110,994,615 | \$ 201,049,172 | | | | |
| Remaining US36 | | | | | | | | | |
| US36 BRT Completion | | | | | | | | | |
| US36 BRT Completion | Remaining capital improvements and service expansion for Flatiron Flyer. Broomfield N side P-n-R, Westminster Station ped bridge, relocation of Church Ranch platform. Does not include funding for add'l vehicles. | \$ 36,465,192 | N/A | N/A | \$ 36,465,192 | | RTD/CDOT/DRCOG | RTD NAMS Study+5%ann inc. | |
| US 36 Bikeway Underpasses at Sheridan and Church Ranch | Constructs remaining grade separations of US 36 Bikeway | \$ 5,400,000 | N/A | N/A | \$ 5,000,000 | | RTD/CDOT/DRCOG | City of Westminster | |
| US 36 Bikeway Improvements | Flatiron Crossing Underpass to Flatiron Marketplace | \$ 5,000,000 | N/A | N/A | \$ 5,000,000 | | RTD/CDOT/DRCOG | City/County of Broomfield | |
| Table Mesa Underpass/Bridge Widening | Improved Access (first/final mile) from US-36 Bikeway to Table Mesa Park n Ride and Foothills Multi-Use Path | \$ 6,000,000 | N/A | N/A | \$ 6,000,000 | | RTD/CDOT/DRCOG | City of Boulder | |
| | | \$ 52,865,192 | \$ - | \$ - | \$ 52,465,192 | | | | |
| NAMS Corridor Entrance to Boulder | | | | | | | | | |
| Boulder BRT Improvements 28th, Broadway & Table Mesa | Transit operational improvements along Broadway and 28th Streets in Boulder to benefit multiple regional BRT routes (Flatiron Flyer, SH119, SH7, South Boulder Road) | \$ 5,955,985 | \$ 3,524,972 | \$ - | \$ 5,955,985 | | RTD/CDOT/DRCOG | RTD NAMS Study+5%ann inc. | |
| Canyon Boulevard Complete Street Corridor | Transforming Canyon Boulevard Corridor to Complete Street in Central Core of Boulder | \$ 20,000,000 | N/A | N/A | \$ 20,000,000 | | RTD/CDOT/DRCOG | City of Boulder | |
| | | \$ 25,955,985 | \$ 3,524,972 | \$ - | \$ 25,955,985 | | | | |
| NW Rail | | | | | | | | | |
| Quiet Zone Corridor Completion | Implement Quiet Zone Corridor through 20-Mile NAMS Corridor | \$ 11,200,000 | N/A | N/A | \$ 11,200,000 | DRCOG+Local Comm. | DRCOG/RTD | 2017 TIGER app cost est. | |
| NWR Peak Hour Service | Peak Hour only service | \$ 108,000,000 | \$ 14,000,000 | \$ 176,090,495 | \$ 284,090,495 | | RTD | 2017 Startup analysis w/ RTD/Costs does not include BNSF Charges | |
| NWR- Westminster Extension | Westminster Station to Downtown Westminster | \$ 303,876,567 | \$ - | \$ - | \$ 303,876,567 | | RTD | RTD NAMS Study+5%ann inc. | |
| | | \$ 423,076,567 | \$ 14,000,000 | \$ 176,090,495 | \$ 599,167,062 | | | | |

| NORTHWEST TRANSPORTATION NETWORK - DRAFT PROJECT LIST | | | | | | | | |
|---|--|---|------------------|--|--|----------------------------|----------------------------------|---|
| 11/28/2017 | | | | | | | | |
| Project | Description/Boundaries | Startup/Construction Costs (Planning & Capital) | Annual O&M Costs | 10 Year Operating Cost (assume 5% annual Increase) | Total Cost (capital + 10 year operating) | Partial Funding Commitment | Other Potential Funding Partners | Source |
| Other NAMS Corridors | | | | | | | | |
| N-I25 Reversible Lanes | US36; Pecos to I-25, I,25 20th St to 84th Ave | \$ 3,557,500 | N/A | N/A | \$ 3,557,500 | | RTD/CDOT/DRCOG | 2017 CDOT US36/I-25 BOS feasibility study |
| SBR BRT Feasability & NEPA study | Boulder-Louisville-Lafayette | \$ 3,500,000 | N/A | N/A | \$ 3,500,000 | | DRCOG/RTD | Boulder County |
| South Boulder Road BRT | S. Boulder Rd - Downtown Boulder to Lafayette | \$ 38,531,552 | \$ 6,077,536 | \$ 76,442,589 | \$ 114,974,142 | | DRCOG/RTD | RTD NAMS Study+5%ann inc. |
| 96th/SH42 BRT | SH42/95 th /96th Improvements | \$ 33,304,876 | \$ 1,981,279 | \$ 24,920,321 | \$ 58,225,196 | | RTD/DRCOG/CDOT | RTD NAMS Study+5%ann inc. |
| 120 th BRT | 120th St. BRT | \$ 38,653,103 | \$ 5,190,216 | \$ 65,281,979 | \$ 103,935,082 | | RTD/CDOT/DRCOG | RTD NAMS Study+5%ann inc. |
| | TOTAL | \$ 117,547,031 | \$ 13,249,031 | \$ 166,644,889 | \$ 284,191,920 | | | |
| Other Primary Corridors | | | | | | | | |
| SH 42 PEL Recommendations | Signals and intersection improvements | \$ 11,705,000 | N/A | N/A | \$ 11,705,000 | CDOT, Louis., BoCo | CDOT/DRCOG | City of Louisville |
| Westconnects/SH93 | SH93; 64th Ave (Golden) to Marshall Dr/SH170 (Boulder) | \$ 160,000,000 | N/A | N/A | \$ 160,000,000 | | CDOT/DRCOG | CDOT 2016-17 Westconnects PEL |
| SH66 PEL Improvements | McConnell Dr (Lyons) to Weld CR19 | \$ 50,000,000 | N/A | N/A | \$ 50,000,000 | | CDOT/DRCOG | CDOT 2016-17 PEL |
| McCaslin Blvd Recon. | SH128 to Rock Creek Pkwy | \$ 10,000,000 | N/A | N/A | \$ 10,000,000 | | CDOT/DRCOG | Town of Superior |
| Sheridan Boulevard | US 36 Bridge to 88th Avenue, Lane balancing to improve east-bound traffic flow. | \$ 2,662,500 | N/A | N/A | \$ 2,662,500 | | CDOT/DRCOG | City of Westminster |
| Federal Boulevard Planned Environmental Linkage Study | 84th Ave in Westminster to Denver City Limits | \$ 1,000,000 | N/A | N/A | \$ 1,000,000 | | CDOT/DRCOG | City of Westminster |
| Federal Blvd | | \$ 1,500,000 | N/A | N/A | \$ 1,500,000 | | CDOT/DRCOG | City of Westminster |
| Hover Rd | Ken Pratt to Boston/Rogers Rd | \$ 1,400,000 | N/A | N/A | \$ 1,400,000 | | CDOT/DRCOG | City of Longmont |
| West 144th / Dillon Rd. | US 287 to N. Zuni | \$ 40,000,000 | N/A | N/A | \$ 40,000,000 | | CDOT/DRCOG | City/County of Broomfield |
| | TOTAL | \$ 278,267,500 | \$ - | \$ - | \$ 278,267,500 | | | |
| Regional Transit Beyond NAMS | | | | | | | | |
| Boulder County Bus Maintenance/ Storage Facility | Bus Garage - needed for expanded transit services - increased regional service along SH119/SH7/US36/SH93 | \$ 61,869,272 | | \$ - | \$ 61,869,272 | | RTD | RTD NAMS Study+5%ann inc. |
| Downtown Boulder Transit Station - Expansion/Relocation | Expanding DBS at Canyon/14th to accommodate NAMS BRT routes (SH119, SH7, So Boulder Road, etc.) | \$ 56,640,830 | N/A | N/A | \$ 56,640,830 | | RTD/CDOT/DRCOG | City of Boulder |
| FLEX | Boulder, Longmont to Loveland, Ft. Collins (Bldr. Share) | \$ 900,000 | \$ 1,000,000 | \$ 12,577,893 | \$ 13,477,893 | | RTD/CDOT/DRCOG | Boulder County |
| Tri-Cities to Longmont | Tri-Cities (Fredrick, Firestone, Dacono) to Longmont | \$ 900,000 | \$ 1,000,000 | \$ 12,577,893 | \$ 13,477,893 | | | Boulder County |
| Enhanced first & final mile transit service (i.e Call-n-Ride support) | Full MCC-wide implementation | N/A | \$ 500,000 | \$ 6,288,946 | \$ 6,288,946 | Incremental | RTD/CDOT/DRCOG | Boulder County |
| | TOTAL | \$ 120,310,102 | \$ 2,500,000 | \$ 31,444,731 | \$ 151,754,834 | | | |
| Human Service Transportation | | | | | | | | |
| Via Mobility Support | Boulder County | \$ - | \$ 200,000 | \$ 2,515,579 | \$ 2,515,579 | BoCo/RTD/CDOT/Local | RTD/CDOT/DRCOG | Boulder County |
| Low Income Mobility Assistance | Boulder County | \$ - | \$ 200,000 | \$ 2,515,579 | \$ 2,515,579 | BoCo/RTD | RTD/CDOT/DRCOG | Boulder County |
| Easy Ride Support | City & County of Broomfield | \$ - | \$ 200,000 | \$ 2,515,579 | \$ 2,515,579 | | RTD/CDOT/DRCOG | City/County of Broomfield |
| A-Lift (Senior Transport) | Adams County Portion of Westminster | \$ - | \$ 200,000 | \$ 2,515,579 | \$ 2,515,579 | | RTD/CDOT/DRCOG | City of Westminster |
| | PHASE 1 NAMS/HIGH PRIORITY CORRIDORS TOTAL | \$ 1,557,103,896 | \$ 54,545,376 | \$ 641,729,151 | \$ 2,194,933,046 | | | |

NORTHWEST TRANSPORTATION NETWORK - DRAFT PROJECT LIST

| Project | Description/Boundaries | 10 Year Operating Cost (assume 5% annual Increase) | | | | | | | Source |
|---|--|---|------------------|--|----------------------------|----------------------------------|--|--------------------------------------|--------|
| | | Startup/Construction Costs (Planning & Capital) | Annual O&M Costs | Total Cost (capital + 10 year operating) | Partial Funding Commitment | Other Potential Funding Partners | | | |
| | | | | | | | | | |
| Other Regional Roadway Reconstruction | | | | | | | | | |
| Nelson Rd. | Airport to Hover | \$ 4,300,000 | N/A | N/A | \$ 4,300,000 | | | City of Longmont | |
| 120th, SBR - Dillon Rd Shoulders | Lafayette to Dillon Rd | \$ 2,400,000 | N/A | N/A | \$ 2,400,000 | BoCo | | Boulder County | |
| 120th/Coal Creek Bridge | 120th St. bridge over Coal Creek | \$ 6,200,000 | N/A | N/A | \$ 6,200,000 | BoCo/UDFCD | | Boulder County | |
| New Louisville/Superior Roadway Connections | Campus Drive to 96 th St, 88 th St. improvements and bridge from Superior Town Center (5 th St.) to Avista (Campus Dr.) | \$ 51,000,000 | N/A | N/A | \$ 51,000,000 | | | City of Louisville/ Town of Superior | |
| Eldora Ski Road | County Rd 130 to end of pavement | \$ 4,500,000 | N/A | N/A | | | | Boulder County | |
| 95 th /Boulder Creek Bridge | Expand for Flood Resiliency | \$ 4,800,000 | N/A | N/A | | | | Boulder County | |
| Overland/St. Vrain Bridge | Emergency Access for Jamestown | \$ 350,000 | N/A | N/A | | | | Boulder County | |
| Rock Creek Parkway | McCaslin Blvd to Coalton Rd | \$ 8,000,000 | N/A | N/A | | | | Town of Superior | |
| Coalton Rd | McCaslin to Flatrions Crossing | \$ 4,000,000 | N/A | N/A | | | | Town of Superior | |
| South Boulder Road Reconst. Lsvle - Bldr. | Table Mesa to McCaslin | \$ 11,000,000 | N/A | N/A | \$ 11,000,000 | BoCO Partial | | Boulder County | |
| Foothill Highway/SH36 (Bldr. - Lyons) Safety improvements | Boulder to Lyons | | N/A | N/A | \$ - | CDOT | | Boulder County | |
| East County Line Rd Shoulder/Recon. | Erie - Longmont | \$ 4,000,000 | N/A | N/A | \$ 4,000,000 | BoCO | | Boulder County | |
| SH128 Reconstruction | SH128 from CO 93 to SH121 | \$ 15,000,000 | N/A | N/A | | | | Town of Superior | |
| Major Intersections | | | | | | | | | |
| Cherryvale & Baseline | Cherryvale & Baseline Roundabout | \$ 850,000 | N/A | N/A | \$ 850,000 | | | | |
| Lookout & 75th | Lookout & 75th Intersection signalization | \$ 800,000 | N/A | N/A | \$ 800,000 | | | | |
| Bike/Ped Underpasses | | | | | | | | | |
| SH 42 Underpass | Underpass at SH 42 between Hecla and Paschal | \$ 1,805,000 | N/A | N/A | \$ 1,805,000 | Lousville/BoCo | | City of Loiusville | |
| US36/Davidson Mesa/Marshall Drive Underpass | Underpass under Marshall Drive/SH170 | \$ 1,500,000 | N/A | N/A | \$ 1,500,000 | | | Superior | |
| Rocky Mountain Greenway Trail Grade Separation | Rocky Mountain Greenway Trail at Indiana | \$ 2,000,000 | N/A | N/A | \$ 2,000,000 | CFL | | City/County of Broomfield | |
| South Boulder Road/Hwy 42 Ped/Bike underpass | SBR between Via Appia and SH 42 ped. Improvements | \$ 3,200,000 | N/A | N/A | \$ 3,200,000 | | | City of Louisville | |
| Regional Trails | | | | | | | | | |
| US-36/28th Street Multiuse Path | Extends '28th St' MUP from 4-Mile Cyn Creek to Yarmouth | \$ 4,200,000 | N/A | N/A | \$ 4,200,000 | | | City of Boulder | |
| Baseline Bike facility enhancements | Boulder to Lafayette | \$ 6,000,000 | N/A | N/A | \$ 6,000,000 | | | RTD NAMS Study+5%ann inc. | |
| St. Vrain Greenway | Regional Sales Tax Project | \$ 5,000,000 | N/A | N/A | \$ 5,000,000 | BoCo/Lngmnt. | | Boulder County | |
| Lyons to Boulder Trail | Boulder (Broadway & US36) to Lyons (US36 & SH66) | \$ 4,000,000 | N/A | N/A | \$ 4,000,000 | BoCo Partial | | Boulder County | |
| RTD Rail Trail (Bldr - Erie) | Boulder to Erie | \$ 4,000,000 | N/A | N/A | \$ 4,000,000 | BoCO Partial | | | |
| Boulder Canyon Trail Extension/Connections | | \$ 7,500,000 | N/A | N/A | \$ 7,500,000 | BoCo/CDOT/CoB | | | |
| LOBO trail completion | Complete 3 gaps- Jay Rd, Spine/Lookout, Niwot | \$ 3,500,000 | N/A | N/A | \$ 3,500,000 | BoCo | | Boulder County | |
| McCaslin Blvd | Rock Creek Parkway to Coalton Rd. | \$ 1,000,000 | N/A | N/A | \$ 1,000,000 | | | Town of Superior | |
| Broomfield area Regional Trail Connection | Wildgrass Trails to Rock Creek Trail | \$ 500,000 | N/A | N/A | \$ 500,000 | | | City/County of Broomfield | |
| Plains to Peaks (Eldo Canyon State Park Connection) | | | N/A | N/A | \$ - | | | Boulder County POS | |
| Rock Creek Trail Completion | 104th to Flatirons | | N/A | N/A | \$ - | | | City/County of Broomfield | |
| E. Boulder Trail | Cherryvale to Teller Creek | | N/A | N/A | \$ - | | | Boulder County | |
| Regional Mountain Trails | | | N/A | N/A | \$ - | | | Boulder County POS | |
| Northwest Parkway Trail | US 36 to I-25 | | N/A | N/A | \$ - | | | City/County of Broomfield | |
| Davidson Mesa to Mayhoffer trail | Davidson Mesa underpass to Mayhoffer Single tree trail | | N/A | N/A | \$ - | | | City of Louisville | |
| Transit/Shuttles | | | | | | | | | |
| Eldorado Canyon/South Trailheads | Boulder to Eldo Spgs State Park | \$ 50,000 | \$ 120,000 | \$ 1,509,347 | \$ 1,559,347 | Boulder County | | | |
| Brainard Lake | Circulator from Gateway Trailhead Parking Lot to Day Use Lot and Indian Peaks trails | \$ 200,000 | \$ 102,008 | \$ 1,283,046 | \$ 1,483,046 | CFL 2016 ARNF study | | | |
| Gilpin County Connector | Nederland to Rollinsville, Blackhawk | \$ 900,000 | \$ 200,000 | \$ 2,515,579 | \$ 3,415,579 | | | Boulder County | |
| Broomfield Call-n-Ride support | City/County of Broomfield | \$ 400,000 | \$ 250,000 | \$ 3,144,473 | \$ 3,544,473 | | | | |
| CTC Connection Service | CTC in Louisville to 36, other connections | \$ 900,000 | \$ 1,000,000 | \$ 12,577,893 | \$ 13,477,893 | | | Boulder County | |

NORTHWEST TRANSPORTATION NETWORK - DRAFT PROJECT LIST

| 11/28/2017 | | | | | | | | |
|---|--|---|------------------|--|--|---------------------------------|----------------------------------|---|
| Project | Description/Boundaries | Startup/Construction Costs (Planning & Capital) | Annual O&M Costs | 10 Year Operating Cost (assume 5% annual Increase) | Total Cost (capital + 10 year operating) | Partial Funding Commitment | Other Potential Funding Partners | Source |
| Community Transit Pass/TDM Programs | | | | | | | | |
| Boulder County-wide | County-wide Eco Pass- employee & resident | N/A | \$ 29,505,203 | \$ 371,113,273 | \$ 371,113,273 | | | 2011 Eco Pass study + 13% fare increase |
| MCC- Master EcoPass Program, carpool and vanpool incentives | Full MCC-wide implementation (scalable) | N/A | \$ 150,000 | \$ 1,886,684 | \$ 1,886,684 | | | Commuting Solutions |
| Boulder | Employee & Resident pass (not including College Pass) | N/A | \$ 18,403,984 | \$ 231,483,339 | \$ 231,483,339 | | | 2014 Community Pass Study+5% ann incr |
| Lafayette | | N/A | \$ 750,000 | \$ 9,433,419 | \$ 9,433,419 | | | Boulder County |
| Trip-Tracker | Full MCC-wide implementation (scalable) | N/A | \$ 550,000 | \$ 6,917,841 | \$ 6,917,841 | | | Boulder County |
| TNC Program Pilots | Boulder County-wide partnership programs with TNCs at multiple sites | N/A | \$ 100,000 | \$ 1,257,789 | \$ 1,257,789 | | | Boulder County |
| Louisville | | N/A | - | | \$ - | | | |
| Superior | | N/A | - | | \$ - | | | |
| Broomfield | | N/A | - | | \$ - | | | |
| Longmont | Community Eco Pass or continue RF Longmont program | N/A | | \$ - | \$ - | | | |
| | OTHER REGIONAL PROJECTS TOTAL | \$ 163,855,000 | \$ 51,131,195 | \$ 643,122,682 | \$ 770,327,682 | | | |
| OTHER IDENTIFIED COMMITTED MAJOR PROJECTS | | | | | | | | |
| Full NWR FasTracks Completion | Full FasTracks service level build-out Longmont to Denver | \$ 1,701,708,754 | \$ 17,017,092 | \$ 214,039,152 | \$ 1,915,747,906 | RTD | | RTD NAMS Study+5%ann inc. |
| NW Parkway Completion | South 96th Street to SH 128 | \$ 150,000,000 | | | \$ 150,000,000 | Fully Funded from other sources | | Broomfield |
| Jefferson Parkway | SH 128 to SH 93 | \$ 220,000,000 | | | \$ 220,000,000 | Fully Funded from other sources | | Broomfield |
| Total | | \$ 370,000,000 | | | \$ 370,000,000 | | | |

| SUMMARY OF COSTS | Startup/Construction Costs (Planning & Capital) | Annual O&M Costs | 10 Year Operating Cost (assume 5% annual Increase) | Total Cost (capital + 10 year operating) |
|--|---|------------------|--|--|
| PHASE 1 NAMS/HIGH PRIORITY CORRIDORS TOTAL | \$ 1,557,103,896 | \$ 54,545,376 | \$ 641,729,151 | \$ 2,194,933,046 |
| OTHER REGIONAL PROJECTS TOTAL | \$ 163,855,000 | \$ 51,131,195 | \$ 643,122,682 | \$ 770,327,682 |
| NAMS/PEAK RAIL/HIGH PRIORITY CORRIDOR AND OTHER REGIONAL TOTAL | \$ 1,720,958,896 | \$ 105,676,571 | \$ 1,284,851,832 | \$ 2,965,260,728 |
| Full FasTracks service level build-out Longmont to Denver | \$ 1,701,708,754 | \$ 17,017,092 | \$ 214,039,152 | \$ 1,915,747,906 |
| NW Parkway/Jefferson Parkway | \$ 370,000,000 | | | \$ 370,000,000 |
| TOTAL COST ALL PROJECTS/PROGRAMS | \$ 3,792,667,650 | \$ 122,693,663 | \$ 1,498,890,984 | \$ 5,251,008,634 |

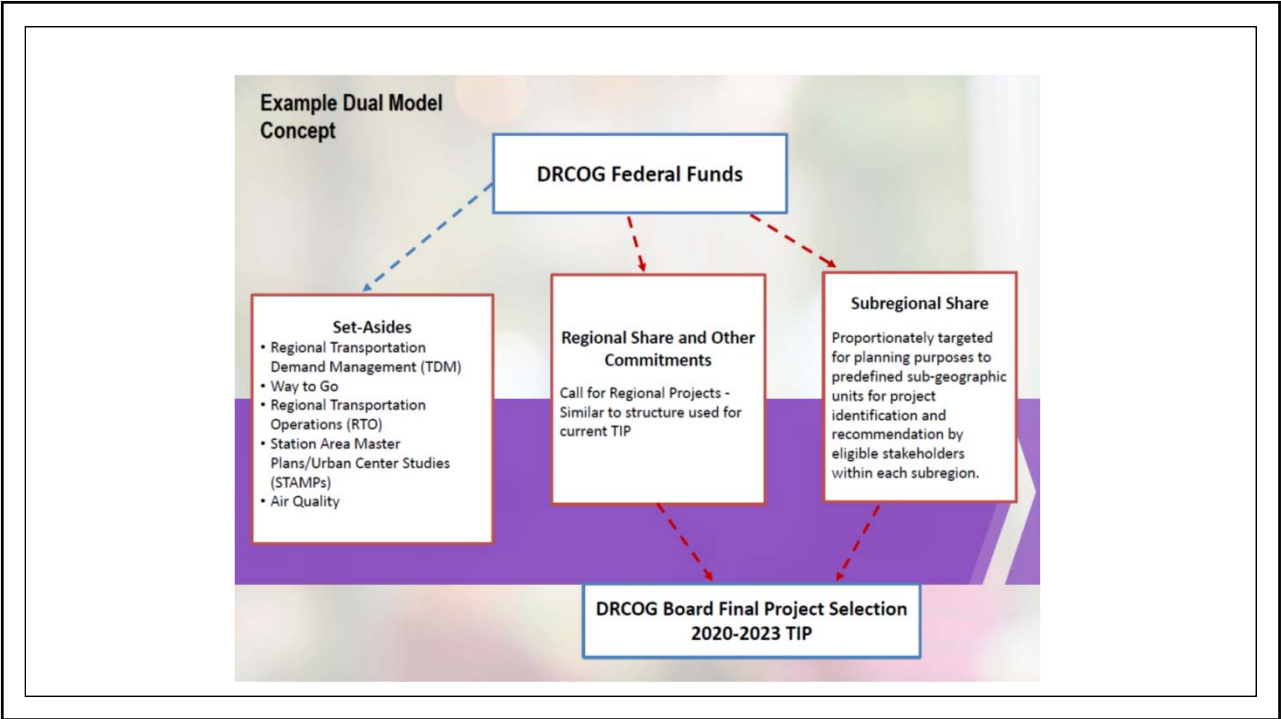
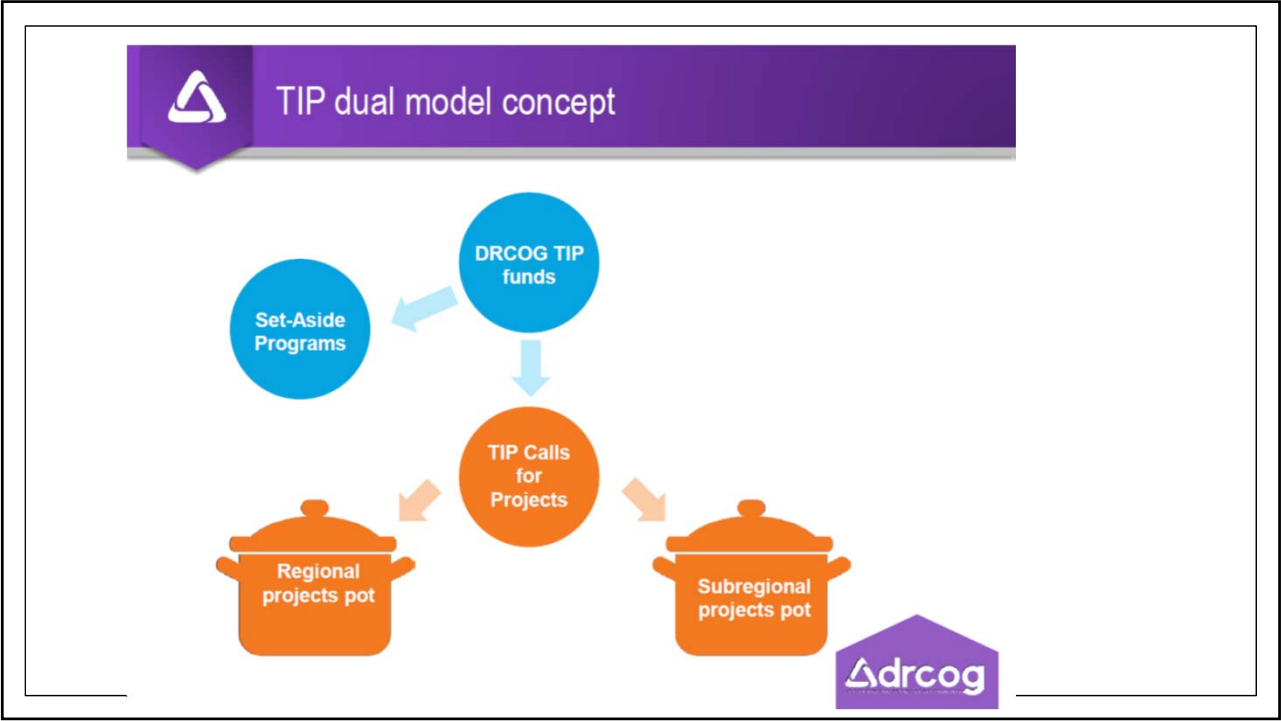
TRANSPORTATION FUNDING UPDATES

Presented by Megan Davis, Intergovernmental Affairs Director

January 9, 2018

ISSUES TO COVER

- TIP funding (Transportation Improvement Program)
- State transportation funding – SB17-267 and potential ballot measure
- Draft regional project list

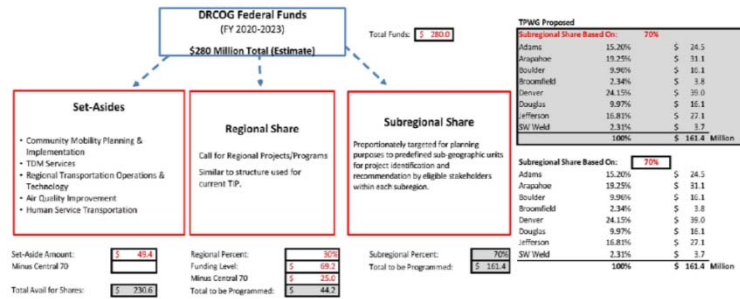




Regional/Subregional Funding Split

30% Regional - 70% Subregional
Central 70 project in Regional

DRAFT



Next steps

- DRCOG vote on Regional and Subregional structure
 - Eligibility
 - Funding split
 - Role of DRCOG staff in administration
 - Other misc. issues
- Subregional Group Formation
 - Subregional TIP Forum
 - Staffing Group
 - IGA among participants

MCC DRAFT Project List

- Developed to support:
 - Business Initiative discussions
 - Possibly inform TIP process and conversations around state funding and ballot measure(s)
- List includes:
 - NAMS Corridors (Northwest Area Mobility Study) and Projects
 - Northwest Rail
 - Regional Transit, Bus Rapid Transit (BRT) and Managed Lanes
 - PEL (Planning and Environmental Linkages) plans/projects
 - Other Corridors beyond NAMS
 - Human Services Transportation
 - Regional Roadway Construction, Major Intersections
 - Bike/Ped underpasses
 - Regional Trails
- List has not been formally approved, development of list is still in progress – input is welcome.

Statewide Funding

- SB17-267
 - \$1.8 Billion over 4 years to transportation
 - CDOT priority list
 - Projects in our Region
 - Hwy 119
 - SH 7
 - SH 42
- Potential statewide ballot measure
 - Modelled after HB17-1242 (proposed referred measure for statewide ballot question – failed in 2017 legislature)

MyRide Update

- Council dedicated \$40,000 in 2018 budget for program
- The City has submitted a joint application with the Town of Superior, Boulder County and Commuting Solutions to apply for TDM (Transportation Demand Management) funding through DRGOG
- The funds will be used to launch the “Tapping into Transit” program,
 - Grow the My Ride program in Louisville and Superior
 - Leverage City funds to conduct strategic outreach and marketing for low-income residents to attend local events and receive MyRide cards
- The full TDM request is approximately \$250,000 and will leverage \$23,000 of City funds over two years for the MyRide program
- Will target Louisville residents as well as employees commuting to Louisville for work

Questions?

**SUBJECT: DISCUSSION – BUSINESS ASSISTANCE PROGRAM REVIEW
AND ANALYSIS**

DATE: JANUARY 9, 2018

PRESENTED BY: AARON DEJONG, ECONOMIC DEVELOPMENT

SUMMARY:

The memorandum summarizes the Business Assistance Policy in Section 3.24 of the Louisville Municipal Code, current implementation strategy for the BAP program, comparison of neighboring communities' assistance programs, and performance of businesses and projects that have received assistance from the Business Assistance Program.

BACKGROUND:

In January 2007, the City Council approved an ordinance establishing a business assistance program (BAP). This program was developed by the Business Retention and Development Committee. The program was approved by the City Council through Ordinance 1507 Series 2007. The ordinance describes the purpose of the BAP program as:

“The purpose of the BAP created by this chapter is to encourage the recruitment, retention, establishment and/or substantial expansion of sales tax generating businesses and employers within the city, thereby stimulating the economy of and within the city, providing employment for residents of the city and others, further expanding the goods and services available for purchase and consumption by businesses and residents of the city, and further increasing the sales taxes and fees collected by the city, which increased sales tax and fee collections will enable the city to provide expanded and improved municipal services to and for the benefit of the residents of the city, while at the same time providing public or public-related improvements at no cost, or at deferred cost, to the city and its taxpayers and residents.”

The City's program offers four basic types of incentives, all of which are rebates of fees and taxes paid: sales tax, building permit fees, construction use taxes, and consumer use tax.

Sales Tax Rebates – If a business is going to bring new retail sales to the community, the City has the ability to incent the business to come to Louisville by rebating a portion of the City's general sales taxes back to the business. The rebate is on new sales and doesn't apply to existing sales in the community if the business is already located in Louisville. The timeframe for when the rebate applies to sales varies depending on the size and desirability of the new or expansion project.

Building Permit Fee Rebates – The City can rebate a portion of the building permit fees associated with a new building or remodel of an existing building to incent job creation or new retail sales. Louisville has generally offered rebates of 50% of the cost of these fees. The rebates are paid only after the project has received a Certificate of Occupancy from the Building Safety Division.

Construction Use Tax Rebates – The materials used to construct a new building or remodel are subject to a construction use tax. The City can rebate a portion of these taxes to incent the project. These rebates are also paid out after the project has received a Certificate of Occupancy.

Consumer Use Tax Rebates – For some projects, the business needs to buy items needed to operate the business (i.e. furniture and equipment). These items are subject to a consumer use tax if they are purchased from outside the City for use in the City. The City can rebate a portion of these taxes if the project meets the program's qualifications.

DISCUSSION:

Current Strategy relating to BAP implementation

The BAP program focuses on attracting and expanding primary employers (businesses which produce goods or services greater than what the local economy can consume) and retailers (businesses primarily focused on sales to end users which collect sales taxes on sales) to town. Staff utilizes a business assistance application form to obtain project details from interested businesses.

Primary Employer Assistance Packages

In evaluating primary employer assistance applications, staff look at several metrics of the application to determine whether to recommend an assistance package to City Council for approval. The metrics are:

- 1) Are the jobs created and maintained earn a salary greater than the Boulder County average wage (Currently \$61,000 per year)?
- 2) Does the investment in Louisville real estate yield significant new revenues to the City?
- 3) Is the business in an industry that adds to job diversity or builds on an existing competitive advantage for the City?
- 4) Is the project a headquarters location for the business?

Primary employer packages typically include the following incentives to encourage the project:

- 50% rebate of the City's Building Permit fees
- 50% rebate of the City's Construction Use Taxes levied on the project

Due to the current growing economy in the region, staff has not been offering consumer use tax rebates to qualifying businesses as a part of an incentive package. Should market conditions change and there are increases in the vacancy rate of commercial and industrial properties, it will be re-evaluated.

Retail Assistance Packages

Retail businesses in Louisville collect sales taxes for the City and is a significant portion of the City's revenues (2017 estimate is 57% of all tax revenue). The BAP program encourages retailers to locate or expand in town that will increase sales tax revenues for the City. Projects that tend to be recommended to City Council for approval are:

- 1) Existing Louisville retailers expanding their operations to facilitate greater sales at the location.
- 2) New retailers looking to locate in Louisville within new retail buildings being constructed in town or in properties having been vacant for a significant period of time.

Retail assistance packages typically offer the following incentives:

- 50% rebate of the City's Building Permit fees.
- 50% rebate of the City's Construction Use Taxes levied on the project.
- 40% rebate of the City's general 3% sales tax levied on new sales delivered through the project. This incentive is usually a two-year incentive, but could be more depending on the level of investment and potential revenue for the City.

Comparison to neighboring communities' Assistance Packages

Most of Louisville's neighboring municipalities offer incentives to encourage primary employer and retail businesses to locate and expand in town. The following is a brief summary of each communities' offerings:

Boulder has a Flexible Rebate Program to encourage the growth and retention of primary employers in Boulder. They offer rebates for primary employers who are looking to grow and expand within Boulder, provided they meet eligibility requirements and sustainability guidelines. The program offers rebates for certain building permit taxes and fees, as well as sales and use taxes paid on fixed assets, such as equipment. The 2017 Economic Vitality Program budget for this program is \$350,000.

Broomfield offers rebates of business personal property taxes, construction use tax rebates, Tax Increment Financing, and sales tax rebates. Broomfield does not currently levy a consumer use tax on business equipment purchases. All other neighboring municipalities do have a consumer use tax.

Erie looks at economic development incentives on a case-by-case basis. They utilize Tax Increment Financing to encourage development in certain parts of the community. Erie has contributed real estate to retail projects to encourage new retailers to town.

Lafayette tailors economic development assistance agreements depending on the project which may include; waiving building permit fees, offering sales tax rebates, and other economic development incentives.

Superior does not have a specific economic incentive program. However, they have utilized Tax Increment Financing to allocate new property taxes and sales taxes generated from projects to project costs.

BAP Program Performance

Since 2007, the City Council has approved 65 assistance packages. Of this total, 49 are on-going or completed. Sixteen of these agreements either did not result in the business or project coming to Louisville or the business or project did not meet the requirements to receive the assistance (i.e. didn't occur in the timeframe specified in the agreement).

Staff analyzed several sources of data to evaluate the effect the Business Assistance Program has had on the Louisville economy:

- Permit fees paid and construction values were obtained from Building Services department files. These values include construction costs of new buildings (if applicable) and any tenant finishes which were directly related to project incented by the Business Assistance Package. This includes projects that have paid their permits and fees, but have not been rebated.
- The amount of incentives paid out from Assistance Agreements through July 2017.
- Jobs and wage data obtained from the State of Colorado's Quarterly Census of Employment and Wages (QCEW) data from the end of 2016. This information is confidential at the business level, but can be provided in aggregate to prevent distribution of information about a particular business. Some businesses that are in operation have not hit the database as of the end of 2016. Those businesses will likely show up in next year's reporting.

This analysis is a snapshot of the program as of July 2017. Several projects have not begun or are in the middle of construction so the full effect of the projects have yet to be documented.

The analysis separates the projects into retail and commercial categories, as a main goal of incenting retail is to encourage new sales in the community, and incenting commercial projects is to encourage high quality primary job growth. The following table outlines the critical data points associated with the projects offered assistance by the City.

SUBJECT: BUSINESS ASSISTANCE PROGRAM REVIEW AND ANALYSIS**DATE: JANUARY 9, 2018****PAGE 5 OF 8****Table 1: Summary of Incentives and Benefits from Business Assistance Packages**

| | Retail | Commercial | Total |
|--------------------------------------|---------------|----------------|----------------|
| Incentives Paid | \$ 1,437,222 | \$ 928,137 | \$ 2,365,359 |
| Retained Jobs | 30 | 1,202 | 1,232 |
| Created Jobs | 453 | 1,367 | 1,820 |
| Total Jobs | 483 | 2,569 | 3,052 |
| Total Annual Wages | \$ 10,301,334 | \$ 237,743,996 | \$ 248,045,330 |
| Average Wage/Salary | \$ 21,328 | \$ 92,543 | \$ 81,273 |
| Annual Sales Tax | \$ 924,556 | N/A | \$ 924,556 |
| Permit Fees Paid | \$ 442,773 | \$ 1,890,572 | \$ 2,333,344 |
| Construction Cost | \$ 15,338,309 | \$ 53,046,182 | \$ 68,384,492 |
| Incentives per Job | \$ 2,976 | \$ 361 | \$ 775 |
| Annual Sales Tax \$ per Incentive \$ | \$ 0.64 | N/A | N/A |
| Construction \$ per Incentive \$ | \$ 10.67 | \$ 57.15 | \$ 28.91 |

For the retail projects, every dollar of incentives provided to the retail projects has leveraged \$.64 of new annual sales tax revenue to the City. Total annual sales tax receipts to the City total \$924,556. The retail projects have created 453 new jobs with an average wage of \$21,328. These are typically part-time positions and wages tend to be lower in the retail sector.

The commercial projects have retained 1,202 jobs and created 1,367 new jobs in Louisville, resulting in total employment from these projects of 2,569 jobs. The average annual wage for these jobs is \$92,543. The average incentive paid to create or retain a primary job is \$361.

The Business Assistance Packages have encouraged improvements to property totaling \$68,384,492 either through tenant improvements or new construction. Every dollar of incentive paid out through the program has leveraged \$28.91 of improvements to property in Louisville.

Overall, the program has encouraged significant job growth, new sales tax revenue, and investments in property in the community. The program has provided more assistance to retail projects, but long-term retail projects provide an on-going source of revenue to the City. The incentive per job of \$361 to encourage primary job growth is a significant value given the benefit high-paying jobs provide to the economic condition of the area. The paid incentives also leverage a significant amount of improvement to property. These improvements boost the property tax revenue to the City, School District, Boulder County and Louisville Fire Protection District.

There are 49 active or complete Business Assistance Packages approved by the City Council since 2007. These BAPs have resulted in roughly \$2,365,359 in total incentives paid by the City, generate roughly \$925,000 annually in new sales tax revenue to the City, have stimulated over \$68 million in new private capital investment, and helped create or retain 3,000 jobs, with almost 84% of those jobs paying an average wage of about \$92,500 annually.

Suggested Revisions to BAP Program

Given that the economy is always changing and that providing economic development assistance is by no means a science, Staff would like to see if there are suggested changes to consider. Below are some possible considerations to discuss as these ideas have been offered in conversations with local businesses and economic development colleagues.

1) Rent assistance for new retailers

Downtown retailers are experiencing significant rent increases due to the growing value of property in the area and the related property tax increases. The lease rates are limiting retailers from starting in the downtown area. First floor locations that have been retail spaces have transitioned to office uses as they are more willing to pay the asking rate to be in the downtown area.

Would the City be willing to 'buy down' the rental rates on first floor spaces to encourage additional retailers to locate in downtown?

2) Low interest loan program for starting retail operations.

When starting a new business, it can be difficult to get a loan from a financial institution for initial funding for equipment, tenant improvement, and inventory purchases. Some communities have established a pool of funding to loan to businesses within areas they want to see greater commercial activity.

3) Implementation of Consumer Use Tax rebates

Finance staff has had several years of experience implementing consumer use tax rebates on purchases made having a durable lifespan greater than 3 years. However, this rebate takes significant staff time to determine the qualifying consumer use tax (and in some cases sales tax) purchases due to the durable goods limitation.

Companies are required to provide consumer use tax returns to the City for purchases of goods made outside the City for use within the operation of the business. This includes major equipment, furniture, and fixtures, but also expendable goods such as paper, pens, and even food. The challenge lies in the determination of what is durable versus non-durable within each use tax return provided to the City within the term of the BAP agreement. Basically, the Finance Department and the business must develop a new use tax return list for only durable goods, even though all the information has already been provided, just that durable and non-durable purchases are together.

SUBJECT: BUSINESS ASSISTANCE PROGRAM REVIEW AND ANALYSIS**DATE: JANUARY 9, 2018****PAGE 7 OF 8**

A proposed fix to eliminate significant duplication and review time for staff and the business would be to modify the allowed use tax purchases to all purchases, rather than only durable good purchases. This would create a greater basis for rebate payments. To adjust for this increase, the consumer use tax incentive rebate percentage could be reduced to reflect that some purchases are now eligible.

In 2016, the previous BRaD Committee asked staff to analyze previous consumer use tax rebates to determine an appropriate amount of rebate percentage reduction to maintain a similar ending rebate payment. Below is a table analyzing several recent consumer use tax payments.

| Business | Year | % needed to equal payment |
|----------------|------|---------------------------|
| Boulder Wind | 2013 | 46% |
| Boulder Wind | 2012 | 48% |
| CableLabs | 2014 | 22% |
| Cablelabs | 2015 | 24% |
| Pearl Izumi | 2015 | 16% |
| Pearl Izumi | 2013 | 20% |
| Xetawave | 2014 | 50% |
| Xetawave | 2015 | 27% |
| AVERAGE | | 32% |

To achieve a similar rebate payment averaging the above businesses, the use tax rebate percentage would need to be 32% of all use tax purchases.

The previous BRaD Committee reviewed this information in April 2016 and recommended the consumer use tax rebate implementation be changed to a 30% rebate of all consumer use tax receipts on future agreements that offer the incentive. City Council consideration of this change has not occurred as the discussion would happen when an agreement offering the incentive was placed on an agenda for approval. No agreement offering the incentive has occurred since April 2016.

BRaD Committee Input

The BRaD Committee was presented this information at their December 3, 2017 meeting. Their input into the program was:

- Suggest the City should better advertise / promote the availability of the Business Assistance Program;
- Observation that the program generally has had a rapid payback for the tax incentives provided;
- General consensus by the Committee that the City should not modify the BAP to include a City low interest loan or rental assistance program, due to concern that such would involve the City in 'choosing' among businesses, and place the City in conflict with the interests of competing property owners.

SUBJECT: BUSINESS ASSISTANCE PROGRAM REVIEW AND ANALYSIS**DATE: JANUARY 9, 2018****PAGE 8 OF 8**

- General support by the Committee for simplifying the consumer use tax to apply to all purchases rather than just durable good purchases, but at a lower rate.

FISCAL IMPACT:

Because all financial assistance under the program is a rebate of taxes and fees paid, the City has no annual budgeted amount for the program and incentives are intended to be offset by the additional revenue resulting from business retentions, expansions or relocations that happen in Louisville.

RECOMMENDATION:

This memo is for discussion purposes.

ATTACHMENT(S):

- 1) Staff Presentation
- 2) Business Assistance Policy, Section 3.24 of the Louisville Municipal Code
- 3) Current BAP Application Form

Business Assistance Package Analysis

Aaron DeJong
Economic Development Director

BAP Analysis

- BAP Program began in 2007
 - 65 Total Agreements
 - 49 either completed/underway
 - 17 are Retail
 - 32 are Commercial/Industrial
 - 16 projects were not advanced
- BAP Agreements are typically rebates of:
 - Sales Tax Rebates
 - Building Permit Fees
 - Construction Use Tax Rebates
 - Consumer Use Tax Rebates

Strategy



- Primary Employer Packages
 - Are the jobs created and maintained earn a salary greater than the Boulder County average wage (Currently \$61,000 per year)?
 - Does the investment in Louisville real estate yield significant new revenues to the City?
 - Is the business in an industry that adds to job diversity or builds on an existing competitive advantage for the City?
 - Is the project a headquarters location for the business?

Strategy



- Retail Packages
 - Existing Louisville retailers expanding their operations to facilitate greater sales at the location
 - New retailers looking to locate in Louisville within new retail buildings being constructed in town or in properties having been vacant for a significant period of time.

Neighboring Communities



- Boulder
 - Flexible Rebate Program
- Broomfield
 - Business Personal Property Tax, Construction Use Tax, TIF
- Erie
 - Case-by-case analysis, TIF, Land, Sales Tax

Neighboring Communities



- Lafayette
 - Building Permit Fees, Sales Tax Rebates,
- Superior
 - TIF (sales and property taxes)

BAP Analysis



- Data for the Analysis came from several sources:
 - Building Department permits and fees
 - 2016 Sales Tax Data
 - State Quarterly Employment Census Data
 - 2016

BAP Analysis



- Key statistics for Retail projects;
 - For every \$1 in one-time rebates, businesses generate \$.64 in annual sales tax revenue
 - Businesses that received BAPs generated \$924,556 in sales tax in 2016
 - 453 new retail jobs averaging \$21,328

BAP Analysis



- Key statistics for Commercial / Industrial projects:
 - Retained 1,202 jobs
 - Created 1,367 jobs (total is 2,569 jobs)
 - Average annual wage is \$92,543
 - \$30,000 greater than the County average wage
 - Average incentive per job is \$361

BAP Analysis



- Encouraged significant growth and investment
- Incentives are more to retail, but city benefits from retail to a greater degree
 - Encourages on-going revenue stream
- Incented primary job creation significantly higher than the Boulder County average wage

Changes



- BRaD Committee looked at three potential changes to BAP Program on 12/4/2017.
 - Rent assistance for New Retailers
 - Low-Interest Loan Program for starting retail operations
 - Change to Consumer Use Tax Implementation

Discussion



BRaD Committee Input

- Better advertise / promote the availability of the Business Assistance Program;
- Program has a rapid payback for the tax incentives provided;
- Don't modify the BAP to include a City low-interest loan or rental assistance program,
 - Would involve the City 'choosing' among businesses, and place the City in conflict with the interests of competing property owners.
- General support for simplifying the consumer use tax to apply to all purchases rather than just durable good purchases, but at a lower rate.

BAP Program



Questions
and
Discussion

Chapter 3.24 - TAX AND FEE BUSINESS ASSISTANCE PROGRAM

Sec. 3.24.010. - Established.

There is established within the city a Tax and Fee Business Assistance Program ("BAP").

(Ord. No. 1507-2007, § 1, 1-16-2007)

Sec. 3.24.020. - Purpose.

The purpose of the BAP created by this chapter is to encourage the recruitment, retention, establishment and/or substantial expansion of sales tax generating businesses and employers within the city, thereby stimulating the economy of and within the city, providing employment for residents of the city and others, further expanding the goods and services available for purchase and consumption by businesses and residents of the city, and further increasing the sales taxes and fees collected by the city, which increased sales tax and fee collections will enable the city to provide expanded and improved municipal services to and for the benefit of the residents of the city, while at the same time providing public or public-related improvements at no cost, or at deferred cost, to the city and its taxpayers and residents.

(Ord. No. 1507-2007, § 1, 1-16-2007)

Sec. 3.24.030. - Definitions.

As used in this chapter and all sections thereof, the following phrases shall have the following meanings:

Applicant means the owner(s) of real property upon which a business is operated or proposed, or the operator of a business located or proposed to be located within the city.

Enhanced sales tax means the amount of sales tax collected by the city over and above a base amount negotiated by, and agreed upon by, the applicant and the city, and which amount is approved by the city council, which base amount shall never be lower than the amount of sales taxes collected by the city at the property in question in the previous 12 months.

Fees means the amount of building permit fees and construction use taxes collected by the city during the construction permitting process for initial construction of a project participating in the BAP created under this chapter.

Operator means the owner or potential owner of a business that is eligible for inclusion in the BAP created by this chapter.

Owner means the record owner or potential record owner of real property upon which one or more business is operated.

(Ord. No. 1507-2007, § 1, 1-16-2007; Ord. No. 1571-2010, § 1, 5-4-2010)

Sec. 3.24.040. - Basis for participation.

Participation in the BAP shall be based upon approval by a majority of the entire city council, exercising its legislative discretion in good faith. Any owner or operator of a proposed business, or the owner or operator of an existing business which proposes to expand substantially, may apply to the city for inclusion within the BAP, provided that the proposed new or expanded business is reasonably likely to generate enhanced or increased sales taxes, permit fees and/or construction use taxes within the city in

the first year of operation. Application for inclusion in the BAP must be made prior to the proposed opening, acquisition or expansion.

(Ord. No. 1507-2007, § 1, 1-16-2007)

Sec. 3.24.050. - Approval of agreement; conditions; effect.

Approval by the city council of an agreement implementing the BAP shall entitle the successful applicant to share in enhanced sales taxes and fees derived from the applicant's property or business in an amount which shall not exceed that amount specified in the agreement required by section 3.24.100; provided, however, that the applicant may use said amounts only for public or public-related improvements such as those specified in section 3.24.060 and which are expressly approved by the city council at the time of consideration of the application. The time period in which said enhanced sales taxes or fees may be shared shall not commence until all public or public-related improvements are completed and meet city standards, and shall be limited by the city council, in its discretion, to a specified time, which shall not exceed ten years, or until a specified amount is reached.

(Ord. No. 1507-2007, § 1, 1-16-2007)

Sec. 3.24.060. - Permitted use of funds.

- A. The uses to which said shared enhanced sales taxes or fees may be put by an applicant shall be strictly limited to obligations and/or improvements which are public or public-related in nature, and which are specifically identified as eligible for BAP funding as part of the agreement required by section 3.24.100 and which, if required by the city, are subject to a subdivision agreement or development agreement executed pursuant to, respectively, section 16.12.100 or section 17.28.260 of this code.
- B. By way of example and not limitation, eligible obligations and improvements which are public or public-related in nature include streets, sidewalks, curbs, gutters, pedestrian malls, street lights, drainage facilities, landscaping, decorative structures, redevelopment of existing properties, occupancy of existing vacant space, expansion or creation of jobs in the city, public art, fountains, identification signs, traffic safety devices, bicycle paths, off-street parking facilities, benches, restrooms, information booths, public meeting facilities, and all necessary, incidental, building facades, architectural enhancements, and appurtenant structures and improvements, together with the relocation, extension, undergrounding or improvement of existing utility lines, and any other improvements of a similar nature which are specifically approved by the city council.
- C. Nothing in this chapter shall limit the city council from appropriating additional capital improvement funds for capital improvements directly or indirectly affecting the property in question as a part of the city's regular appropriation, capital improvement, or budget process.

(Ord. No. 1507-2007, § 1, 1-16-2007)

Sec. 3.24.070. - BAP payments.

- A. For BAP agreements utilizing enhanced sales tax incentives, payments shall be made no less than annually and no more than quarterly, as the city and applicant shall agree. For such payments, the base figure (which may be stated as a percentage or fixed dollar amount) shall be divided by the number of agreed-upon payments per year and adjusted for seasonal variations as the parties may agree. If in any period the agreed-upon base figure is not met by applicant and, thus, no enhanced sales taxes are generated for that period, then no funds shall be shared with the applicant for such period and no increment shall be shared until that deficit, and any other cumulative deficit, has been

met, so that at the end of any 12-month cycle, funds in excess of those enhanced sales taxes agreed to be shared shall not have been shared with any applicant.

- B. For BAP agreements utilizing fees, payments shall be made in either incremental payments or a lump-sum payment as provided in the agreement approved by the city council. Such payments shall be commence no earlier than issuance of a certificate of occupancy for the subject location and satisfaction of the requirements of this chapter and of the agreement.
- C. No interest shall be paid on any amounts shared pursuant to any BAP agreement.

(Ord. No. 1507-2007, § 1, 1-16-2007)

Sec. 3.24.080. - Existing tax revenue sources unaffected.

- A. It is an overriding consideration and determination of the city council that existing sources of city sales tax and fee revenues shall not be used, impaired or otherwise affected by the BAP. Therefore, it is conclusively determined that only enhanced sales taxes and fees generated by the properties or businesses described in an approved BAP application shall be subject to division under the BAP. It shall be the affirmative duty of the finance director of the city to collect and hold all such enhanced sales taxes and fees to be shared in a separate account apart from the sales taxes and fees generated by and collected from other sources in the city and to provide an accounting system which accomplishes the overriding purpose of this chapter. It is conclusively stated by the city council that this chapter would not be adopted or implemented but for the provision of this section.
- B. Without limiting the foregoing subsection A of this section, it is conclusively stated that there shall be excluded from the BAP and any BAP agreement all revenues from (i) the temporary three-eighths percent sales and use taxes imposed for the ten-year period beginning on January 1, 2004, to be used for open space and related purposes as authorized by the registered electors of the city and set forth in Chapter 3.20 of this Code; and (ii) the temporary one-eighth of one percent sales tax for historic preservation purposes imposed for the ten-year period beginning on January 1, 2009 as set forth in Section 3.20.605 of this Code. Such revenues shall not be used, impaired or otherwise affected by the BAP.

(Ord. No. 1507-2007, § 1, 1-16-2007; Ord. No. 1571-2010, § 2, 5-4-2010)

Sec. 3.24.090. - Criteria for approval.

Approval of an application for inclusion in the BAP shall require the affirmative vote of four members of the city council, at a public hearing held as a portion of a regularly scheduled city council meeting, based upon city council consideration of the following criteria:

- A. The amount of enhanced sales taxes which are reasonably to be anticipated to be derived by the city—whether by retention of taxes, creation of new taxes, or a combination thereof—through the expanded or new retail sales tax generating business;
- B. The public benefits which are provided by the applicant through public works, public or public-related improvements, additional and/or retained jobs and employment opportunities for city residents and others, etc.;
- C. The quality of the proposed development;
- D. Whether the proposal utilizes an existing building(s);
- E. Whether the proposal complements existing Louisville businesses (i.e. a buyer or supplier that serves an existing business in the city);
- F. Whether the proposal represents redevelopment to an area or building in the city;
- G. Whether the proposal represents job diversity in industry sectors and is part of a growing industry;

- H. The proposal's contribution to the diversity of retail or to the diversity of jobs or employment opportunities within the city;
- I. Whether the proposal brings a value added result to the city or a development within the city (for example, by moving the company's corporate headquarters to the city);
- J. The amount of the business assistance as a percentage of new revenue anticipated to be created by the proposal (for example, by relocation the company to Louisville);
- K. The amount of expenditures which may be deferred by the city based upon public or public-related improvements to be completed by the applicant;
- L. The conformance of the applicant's property or project with the comprehensive plan and zoning ordinances of the city; and
- M. Whether a proposed agreement required by section 3.24.100 has been reached, which agreement shall contain and conform to all requirements of said section 3.24.100.

(Ord. No. 1507-2007, § 1, 1-16-2007)

Sec. 3.24.100. - Agreement with city; required; contents.

Each application for approval submitted to the city council shall be subject to approval by the city council solely on its own merits. Approval of an application shall require that an agreement be executed by the applicant and the city, which agreement shall, at a minimum, contain:

- A. A list of those public or public-related improvements which justify the application's approval, and the amount which shall be spent on such improvements;
- B. The maximum amount of enhanced sales taxes or fees to be shared, the timing of payment of any such shared taxes or fees, and the maximum time during which the agreement shall continue, it being expressly understood that any such agreement shall expire and be of no further force and effect upon the occurrence of the earlier to be reached of the maximum time of the agreement (whether or not the maximum amount to be shared has been reached) or the maximum amount to be shared (whether or not the maximum time set forth has expired);
- C. A statement that the agreement is a personal agreement which does not run with the land;
- D. A statement that the agreement shall never constitute a multi-year fiscal obligation, debt or other obligation of the city within the meaning of any constitutional or statutory provision;
- E. The base amount which is agreed upon and the timing of periodic payments of enhanced sales taxes to be shared and the fact that if, in any period as specified, sales taxes received from the property do not at least equal said base amount, there shall be no sharing of sales taxes for said period, and that any deficit for any such period shall be carried over to succeeding periods until the difference between the base amount and the amount of sale tax actually paid is recovered by the city;
- F. The base amount shall be agreed upon which shall consider the historic level of sales at the property in question, or a similar property within the area in the event of a new business, and a reasonable allowance for increased sales due to the improvements and upgrades completed as a result of inclusion within the BAP;
- G. A provision that any enhanced sales taxes or fees subject to sharing shall be escrowed in the event there is a legal challenge to the BAP or the approval of any application therefor;
- H. An affirmative statement that the obligations, benefits and provisions of the agreement may not be assigned in whole or in any part without the expressed written authorization of the city council, and further that no third party shall be entitled to rely upon or enforce any provision of the agreement;
- I. A statement that the agreement shall be subject to the annual appropriation of sufficient funds for payments as provided in this chapter, pursuant to Section 20, Article X of the Colorado Constitution;

- K. A statement that the applicant shall have no right, claim, lien or priority in or to the city's sales or use tax revenue superior to or on parity with the rights, claims or liens of the holders as any sales or use tax revenue bonds, notes, certificates or debentures payable from or secured by any sales or use taxes, existing or hereafter issued by the city; and that all rights of the successful applicant are, and at all times shall be, subordinate and inferior to the rights, claims and liens of the holders of any and all such existing or hereafter issued sales and use tax revenue bonds, notes, certificates or debentures, payable from or secured by any sales or use taxes issued by the city; and
- L. Any other provisions agreed upon by the parties and approved by the city council.

(Ord. No. 1507-2007, § 1, 1-16-2007)

Sec. 3.24.110. - Findings.

The city council has enacted this chapter as a joint benefit to the public at large and to private owners for the purposes of: providing the city with increased sales tax and fee revenues generated upon and by properties improved as a result of the BAP program; providing incentives for businesses to expand or create additional jobs within the city; providing for public and public-related improvements to be completed by private owners through no debt obligation being incurred on the part of the city, and allowing applicants an opportunity to improve properties which generate sales taxes, which improvements make those properties more competitive in the marketplace; and further providing to the applicant additional contingent sources of revenues for upgrading such properties. The city council specifically finds and determines that creation of the BAP is consistent with the city's powers as a home rule municipal corporation, and that exercise of said powers in the manner set forth in this chapter is in furtherance of the public health, safety and welfare. Notwithstanding any provision of this chapter, the city shall never be a joint venturer in any private entity or activity which participates in the BAP, and the city shall never be liable or responsible for any debt or obligation of any participant in the BAP.

(Ord. No. 1507-2007, § 1, 1-16-2007)



CITY OF LOUISVILLE

749 Main Street, Louisville, CO 80027 (303) 335-4533

BUSINESS ASSISTANCE REQUEST

Please return the information requested and the answers to the questions below to the City of Louisville, 749 Main Street, Louisville, Colorado, 80027, Attention: Economic Development Director.

Project Information:

- What is the name of the project?
- What is the location of the project?
- What is the size of the project?
- If new construction, what is the estimated building valuation (core and shell only) of the project?
- If this is tenant finish, what is the estimated tenant finish (not including furniture, fixtures, and equipment)?
- Is the project an expansion or a relocation of the current business?
- Will the project occupy existing space or construct a new space?
- When is a decision anticipated on the project location?
- When is construction anticipated to begin?
- When is construction anticipated to be completed?
- What other areas are being considered for this project?

Please give location addresses and available financial information to compare to the identified Louisville location.

Owner's Contact Information:

Name of Business

Business Address

Phone:

Fax:

Email:

President or CEO of the Business:

Name of the Applicant:

Employee and Payroll Information:

- What is the number of employees at move-in?
- What is the projected number of employees within the first five (5) years of operation?
- What is the annual payroll (not including benefits) at move-in?
- What is the annual payroll (not including benefits) within the first years of operation?
- What is the average job salary per year?

Company Profile:

- Describe what service or product your company provides
- Provide general background on the company
- Provide website information (if applicable)

Sales Tax Projections:

If this is a retail/commercial business, please complete the following:

- What are the gross retail sales projections in the first full year of operation?
- What are the gross retail sales projections in the first five years of operation, per year?

**SUBJECT: DISCUSSION – LAND USE REVIEW PROCESS AND OPTIONS
FOR EARLIER PUBLIC ENGAGEMENT**

DATE: JANUARY 9, 2018

**PRESENTED BY: KRISTIN DEAN, PRINCIPAL PLANNER
ROBERT ZUCCARO, PLANNING & BUILDING SAFETY DIRECTOR**

SUMMARY:

There has been some recent discussion on whether the City should have additional options for earlier public engagement with land use development applications. Under the current Louisville Municipal Code (“Code”) provisions, the only early public engagement process includes a preliminary Planned Unit Development (PUD) or a preliminary plat as a precursor to the final PUD or final plat. Additionally, for development proposals which do not meet the vision for the property as identified in the Comprehensive Plan, an applicant could pursue an amendment to the Comprehensive Plan. The Code does not include provisions for a sketch plan, work sessions, or neighborhood meetings, all of which would provide for other public engagement opportunities, with or without non-binding direction from the Planning Commission and City Council, prior to an application being submitted for a formal development review process.

BACKGROUND/CURRENT REGULATIONS:

Comprehensive Plan Amendments

[Chapter 17.64](#) of the Code sets forth the procedure for amendments to the Comprehensive Plan. The City Council, Planning Commission, City staff, a property owner or a citizen of the City may initiate an amendment request. The code requires a public hearing before the Planning Commission and City Council and a two-thirds majority vote of the entire membership of the Planning Commission (for a recommendation) and City Council to approve any such request.

Preliminary Subdivision Plat and Preliminary Planned Unit Development (PUD)

[Title 16](#) of the Code sets forth procedures and requirements for subdivisions and [Chapter 17.28](#) sets forth the procedures for a PUD. A preliminary PUD and a preliminary subdivision plat require public hearings before Planning Commission and City Council and allow for public engagement prior to hearings for a final PUD and final plat application. With a preliminary PUD and preliminary plat review, decisions are binding, but Council may provide conditions of approval for changes or issues that should be addressed with the final applications.

[Section 17.28.250](#) of the Code provides for an expedited PUD process (i.e. only a final PUD application is required) where applications are somewhat more limited in scope. [Section 16.12.110](#) of the Code provides for a minor subdivision procedure (which is

essentially the same as a final plat in terms of process), under a limited set of provisions as well. Thus, in both instances, where an application qualifies for final PUD and final plat the applications forgo earlier options for public engagement. In many cases, such as with applications for a new building in the CTC on platted lots, staff finds that processing only the final PUD, and where necessary, the final plat, is warranted and alleviates unnecessary steps which involve more staff time, and additional reviews before the Planning Commission and City Council.

OPTIONS FOR OTHER PUBLIC ENGAGEMENT OPPORTUNITIES:

Council could consider amending the Code to provide for or require additional preliminary steps, which are non-binding, for certain applications that warrant this additional level of review and public input. Such options could include neighborhood meetings or sketch plans. Similar processes in other jurisdictions are called work sessions or concept plans. For efficiency, staff will refer to this type of process as a sketch plan, but Council could consider calling this process by a different name.

Neighborhood Meetings

The City of Arvada requires a neighborhood meeting for all applications that require a public hearing. The applicant facilitates the meeting by providing notice to the surrounding property owners, establishing the meeting location, preparing concept plans, and leading the meeting. Staff attends the meeting in order to take note of the public concerns and answer questions regarding process or regulations. Neighborhood meetings do not include attendance by Planning Commission or City Council members. Thus, the neighborhood meeting provides the opportunity for the applicant to understand the concerns of the residents and ideally modify their proposals before submitting a formal application.

The City of Lafayette requires a neighborhood meeting for certain types of applications, but staff does not attend. Thus, there is concern that the comments submitted by the developer are not entirely reflective of the discussions that were actually held.

The Town of Erie requires a neighborhood meeting ([Section 10.7.2.D UDC](#)), unless the requirement is waived by the Community Development Director where it is determined that the development proposal would not have significant impacts in the areas listed below:

- a. Traffic;
- b. Natural resources protected under the Unified Development Code;
- c. Provision of public services such as safety, schools, or parks;
- d. Compatibility of building design or scale; or
- e. Operational compatibility, such as lighting, hours of operation, odors, noise, litter, or glare.

Similar to Arvada, in Erie, the applicant notices and facilitates the neighborhood meeting. Staff attendance is not required, but may be required by the Community Development Director “only for the purpose of explaining the application process.”

Pros and Cons of a Neighborhood Meeting Process

Pros: A neighborhood meeting provides the opportunity for the developer to hear the public’s concerns before an application is submitted. Ideally, the public comments better shape the proposal.

Cons: Unless attended by Planning Staff, the applicant may skew or misrepresent the public comments. Some applicants may not be well versed in the development review process or application of the Code requirements. Thus, the applicant may misrepresent City policy and process to the public. Staff attendance at neighborhood meetings will result in more night meetings for staff. However, if neighborhood meetings are only required for certain, more complex applications, the number of neighborhood meetings may be minimal.

Early public engagement in the form of neighborhood meetings could be beneficial for more complex applications, but it is Staff’s opinion that these processes should not be required for all development applications. If a neighborhood meeting process is considered by Council, staff suggests that City staff attend these meetings.

Sketch Plan

A sketch plan could provide for review of a conceptual plan with non-binding comments from the Planning Commission and/or City Council. There are several paths to consider for sketch plans:

1. A sketch plan could be required for certain applications (e.g., based on property size, density, or uses) or it could be optional.
2. A sketch plan could be reviewed by Planning Commission and City Council.
3. A sketch plan could only be reviewed by Planning Commission, with an option for Council to call it up or for the applicant to request Council review.

Sketch plans applications typically require a conceptual plan which shows and demonstrates the proposed uses and density, layout of lots, proposed building locations, layout of major access points and an internal street network, and the proposed location of utilities and other infrastructure. The process should outline the specific and limited feedback that the Planning Commission and City Council can provide through the process, since formal public hearings will be held at a later date. Depending on the level of detail required or the complexity of the application, the process could require a traffic study. Considering the elevated concern regarding traffic in the City, staff suggests any sketch plan process include a preliminary traffic impact study which identifies trip generation rates and road improvements that may be necessary to accommodate the proposed development.

The City of Lafayette requires a [sketch plan](#) for all residential development which involves three lots or more. Sketch plans require review by Planning Commission, and the Planning Commission makes a motion to approve or deny the sketch plan through a public hearing process. City Council reviews and acts on a sketch plan only if the applicant appeals the decision of the Planning Commission or if City Council calls it up. In this instance, after a sketch plan review is conducted by Planning Commission, the process could include Council notification on the following Council agenda, in order to allow Council the opportunity determine if they would like to hear the sketch plan proposal. After sketch plan, the Lafayette process requires submittal of a preliminary plan, followed by a more technical final plan review. In Lafayette, a sketch plan is a formal process, with formal action taken. However, approval of a sketch plan does not vest property rights. Lafayette charges approximately \$900 for a sketch plan application.

The City of Boulder requires a Concept Plan for any application that exceeds certain established site review thresholds. [Section 9-2.13 of the Boulder Revised Code](#) sets forth the purpose of the Concept Plan Review and specifically states:

Purpose of Concept Plan Review: The purpose of the concept plan review step is to determine a general development plan for the site, including, without limitation, land uses, arrangement of uses, general circulation patterns and characteristics, methods of encouraging use of alternative transportation modes, areas of the site to be preserved from development, general architectural characteristics, any special height and view corridor limitations, environmental preservation and enhancement concepts, and other factors as needed to carry out the objectives of this title, adopted plans, and other city requirements. This step is intended to give the applicant an opportunity to solicit comments from the reviewing authority early in the development process as to whether the concept plan addresses the requirements of the city as set forth in its adopted ordinances, plans, and policies. Comments on a concept plan are not binding, but are meant to inform any subsequent site review application. A concept plan review and comment shall not relieve the applicant of the burden to seek approvals for elements of the plan that require review and approval under the Boulder Revised Code.

The City of Boulder handout for the [Concept Review and Comment](#) process specifies that the concept plan review and comment process is "...a non-binding opportunity to begin a dialogue with staff, the community and the Planning Board..." about a potential development project. The Planning Board holds a publicly noticed meeting and provides comments using a set of guidelines established under Section 9-2-13(g) of the Boulder Revised Code (and listed in the handout). The fee for a Concept Review and Comment process with the City of Boulder is \$10,495.

The City of Arvada offers an optional sketch plan process for projects which require a PUD or major subdivision. The Planning Commission and City Council review the sketch plan. Planning Commission and City Council comments are intended to provide an informal evaluation of the proposed project and are non-binding. Arvada charges \$600 for a sketch plan.

Pros and Cons of a Sketch Plan Process

Pros: A sketch plan process affords the applicant the opportunity to “vet” a development proposal with the Planning Commission and/or City Council and receive feedback to shape the formal application, without significant costs invested in the engineering and site planning work. This process enables the public concerns to be voiced prior to a formal application as well.

Cons: It is difficult for staff to fully analyze a development proposal which is conceptual and which does not include all pertinent and relative information as required through a formal development application process and with formal public input processes. Thus, through this generalized review, significant issues may not be identified nor addressed. Likewise, Council and Planning Commission may be providing feedback based on incomplete or limited information.

Early public engagement in the form of a sketch plan could be beneficial for more complex applications, but, like the neighborhood meeting concept, it is Staff’s opinion that these processes should not be required for all development applications. Staff suggests that if a sketch plan process is considered, that submittal requirements and review criteria be clearly identified and that a fee commensurate with the staff time involved for reviewing the project be charged.

Fees

Should Council consider future initiation of a code amendment to create a sketch plan process, or a similar process, Staff suggests that a fee be charged to cover the City’s costs for administering the process. As noted in this report, fees required by surrounding local jurisdictions vary widely. The City currently charges \$2,735 for a preliminary PUD for properties that are 7 acres or less and \$3,325 for properties that are more than 7 acres. If Council would like to consider a future code amendment, staff can provide a recommendation on fees at the time of consideration.

FISCAL IMPACT:

A formal sketch plan process will likely have fiscal impact on the City through staff time and overhead costs. These costs could be offset by the City charging an appropriate fee to cover these costs.

QUESTIONS FOR CONSIDERATION

1. Do the current processes, such as Comprehensive Plan Amendments and Preliminary PUDs and Subdivisions provide sufficient opportunity for early public engagement?
2. Does the possibility of a developer led neighborhood meeting provide for substantive early public engagement?
 - a. If this option considered, should City staff attend these meetings?
 - b. If this option considered, should an hourly fee for staff time be charged?
3. Does a sketch plan, or other similar process provide the appropriate opportunity for substantive early public engagement?
 - a. If this option considered, should the sketch plan be heard by both Planning Commission and City Council?
 - b. If this option considered, what fees should be charged?
4. Are there other options to explore for early public engagement?

RECOMMENDATION:

Discussion only, any possible changes to the current land use process would come before City Council for a formal review process.